

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(B)

**SILLS CUMMIS & GROSS P.C.**

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*Proposed Counsel to the Debtors  
and Debtors-in-Possession*

In Re:

NATIONAL REALTY INVESTMENT ADVISORS,  
LLC<sup>1</sup>

Case No.: 22-14539

Judge: John K. Sherwood

Chapter: 11

**FIRST SUPPLEMENTAL DECLARATION OF JOSEPH A. HAYDEN, JR., ESQ.  
IN SUPPORT OF APPLICATION FOR RETENTION OF PASHMAN STEIN  
WALDER HAYDEN, P.C. AS SPECIAL COUNSEL TO THE DEBTORS  
NUNC PRO TUNC TO THE PETITION DATE**

I, Joseph A. Hayden, Jr., pursuant to 28 U.S.C § 1746, to the best of my knowledge and belief, and after reasonable inquiry, declare:

1. I am an attorney at law with the law firm Pashman Stein Walder Hayden, P.C. (“**Pashman**”). I provide this supplemental declaration (the “**Supplemental Declaration**”) as a supplemental to my declaration dated June 27, 2022 (the “**Original Declaration**”) that was

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<sup>1</sup> A complete list of the Debtors in these chapter 11 cases may be obtained on the website of the Debtors’ claims and noticing agent at <https://omniagentsolutions.com/NRIA>. The location of the Debtors’ service address is: 1 Harmon Plaza, Floor 9, Secaucus, New Jersey 07094.

attached in support of the *Debtor's Application for Entry of an Order Authorizing the Employment and Retention of Pashman Stein Walder Hayden, P.C. as Special Counsel to the Debtors Nunc Pro Tunc to the Petition Date* (the "**Application**"). Unless otherwise defined, all capitalized terms and used but not otherwise defined herein shall have the meanings ascribed to them in the Original Declaration.

2. The facts set forth in this Supplemental Declaration are based upon my personal knowledge, upon information and belief, or upon client matter records kept in my ordinary course of business that were reviewed by me or other employees of Pashman under my supervision and direction.

3. Since submitting my Original Declaration, Pashman identified certain additional amounts totaling \$20,870.25 (the "**Final Prepetition Bill Amount**") that were owing by Debtors to Pashman for fees, charges, and disbursements incurred during the period prior to the Petition Date. I disclosed in my Original Declaration that as of the Petition Date, Pashman was holding an advanced payment retainer (the "**Retainer**") in the amount of \$41,250.65. After applying the Final Prepetition Bill Amount against the Retainer, the remaining balance of the Retainer is \$20,380.40, thus I am filing this Supplemental Declaration to correct the previously disclosed Retainer amount. Pashman will apply its remaining Retainer balance of \$20,380.40 against post-petition fees and expenses of Pashman, subject to prior Bankruptcy Court approval.

4. In paragraph 22 of my Original Declaration, I made certain disclosures regarding Pashman's known relationships at the time with Parties-In-Interest identified to Pashman as being closely associated with the Debtors' and/or their chapter 11 cases. As this Court is aware, Thomas Nicholas Salzano has been identified in these cases as a former senior employee and consultant

of the Debtors. Thomas Nicholas Salzano's brother is Peter Salzano. Peter Salzano was not listed by Debtors as a Party-in-Interest in the Debtors' chapter 11 cases filed on June 7, 2022. On June 21, 2022, the New Jersey Bureau of Securities filed a Cease and Desist Order (the "**NJBOS Order**") against the Debtors, which (among other things) alleges that:

51. [Thomas Nicholas] Salzano, referred to as "Chief" in internal company emails by certain NRIA employees, exerted control over nearly every aspect of the NRIA Fund, including steering work and jobs (including a no-show job) to family members and influencing what information would be made to existing or potential investors. Salzano managed and controlled the NRIA Fund. For example . . . (h) Salzano emailed Grabato and instructed him to confirm that NRIA received seven copiers from a company owned by his brother Peter Salzano, called Network Digital, and that leases calling for payments to Network Digital may begin, and Grabato followed Salzano's instructions[.]

(NJBOS Order at 16-18).

In the interest of full disclosure, while with my prior law firm Walder Hayden, I represented Peter Salzano during a federal criminal investigation and related proceedings, arising out of his and Thomas Nicholas Salzano's activities as officers of telecommunications company NorVergence. Peter Salzano was never criminally charged in that matter, although he agreed to a civil settlement with the Federal Trade Commission. The records available to me indicate that the file was opened in 2004 and closed in 2010, but to the best of my recollection the active representation largely ended much earlier than when the file was closed. To my knowledge, (i) my prior representation of Peter Salzano in the NorVergence investigation is entirely unrelated to the Debtors and their chapter 11 cases, including the allegations in the Debtors' current investigations; and (ii) my representation of the Debtors as to the criminal investigation by the United States Attorney's

Office for the District of New Jersey and regulatory investigations by the Securities and Exchange Commission and NJBOS is totally unrelated to Peter Salzano.

5. Based upon the circumstances set forth in this Supplemental Declaration and my Original Declaration, I believe that Pashman remains eligible for retention by the Debtors in these cases.

6. To the extent that it learns of additional material disclosable information during these cases, Pashman will update the information disclosed herein by filing further supplemental declarations pursuant to Bankruptcy Rule 2014 and Local Rule 2014-1.

I hereby declare under the penalty of perjury that the foregoing is true and correct.

Executed: July 5, 2022

/s/ Joseph A. Hayden  
Joseph A. Hayden, Jr., Esq.  
For the Firm